

Written Testimony in Support of House Bill 2308

House Committee on Commerce, Labor, and Economic Development February 28, 2025

Chairman Tarwater and honorable committee members,

On behalf of the **Kansas Economic Development Alliance (KEDA)** please accept this written testimony in support of House Bill 2308 proposed AIM-K (Aviation and Innovation Manufacturing in Kansas) incentive program.

KEDA (https://kansaseda.com) is comprised of over 120 economic development professionals and organizations that spread across the state. KEDA members are considered the "front lines" of economic development and community growth by state & local elected leaders in Kansas.

As economic developers, we see the importance of cutting-edge economic incentive tools on a daily basis while competing for new job creation and capital investment for the communities we represent across Kansas. The AIM-K program will significantly enhance the existing, proven incentive programs that our state currently competes for projects globally. And competition is getting more intense.

According to a national report, nationwide economic development incentives have more than doubled in the last five years while successfully landed projects have surpassed 4,000 nationally. The report by Site Selection Group is the 2024 U.S. Market Report on Economic Incentives and states:

The basis for the continued growth of overall value of economic incentive awards continues to be tied primarily to renewable energy and other investments...such as electric vehicles and/or electric vehicle battery manufacturing, semiconductor manufacturing....

The Kansas Legislature's passage of the APEX program provided compelling advantages for these cutting-edge industries while balancing fiscal responsibility and reasonableness for our state's finances. The AIM-K program will provide similar benefits and advantages to industries while allowing more Kansas communities to benefit from similar advantages on a smaller scale. This will expand the accessibility and opportunity to more Kansas communities and workers.

Our state needs to remain competitive with the growing number of economic development project opportunities in new, growing industries. **AIM-K** is the solution to that challenge.

Thank you for your service to the State and for your thoughtful consideration.